

TRANSPORTATION DEPARTMENT[761]

Adopted and Filed

Rule making related to early release of retained funds

The Department of Transportation hereby amends Chapter 180, “Public Improvement Quotation Process for Governmental Entities for Vertical Infrastructure,” Iowa Administrative Code.

Legal Authority for Rule Making

This rule making is adopted under the authority provided in Iowa Code sections 307.12 and 314.1A.

State or Federal Law Implemented

This rule making implements, in whole or in part, Iowa Code chapters 26 and 573 and section 314.1A and 2018 Iowa Acts, House File 2233.

Purpose and Summary

This rule making reflects the changes needed in Chapter 180 due to 2018 legislation concerning the early release of retained funds. The amendments implement the changes made by 2018 Iowa Acts, House File 2233, which repealed Iowa Code section 26.13 and added new Iowa Code section 573.28.

Public Comment and Changes to Rule Making

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on January 16, 2019, as **ARC 4228C**. No public comments were received. No changes from the Notice have been made.

Adoption of Rule Making

This rule making was adopted by the Department on February 20, 2019.

Fiscal Impact

This rule making has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the person’s circumstances meet the statutory criteria for a waiver may petition the Department for a waiver under 761—Chapter 11.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee’s meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rule making will become effective on April 17, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend rule 761—180.10(314) as follows:

761—180.10(314) Retained funds. In addition to requiring the contractor to submit a performance and payment bond, the governmental entity ~~is required to~~ shall also retain funds from each payment to the contractor for the benefit of subcontractors and suppliers, and apply or release such funds, as provided in ~~required by Iowa Code chapter 573, and is required to release retained funds upon substantial completion of the work, as provided in Iowa Code section 26.13.~~

ITEM 2. Amend **761—Chapter 180**, implementation sentence, as follows:

These rules are intended to implement Iowa Code sections 26.2, ~~26.13~~, 26.14, 314.1A, 314.1B, ~~and 573.2, and 573.28.~~

[Filed 2/20/19, effective 4/17/19]

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 3/13/19.